

## Report PDR-PCD-38-15

**To:** Chair Wright and Members of the Planning and Community Development Committee

**From:** Sharon Vokes, County Clerk/Director of Council Services, Randy Scherzer, Director of Planning, and Geoff Hogan, Director of Information Technology

**Meeting Date:** October 20, 2015

**Subject:** **2016 Draft Budget for the Planning and Community Development Committee Portfolio**

**Status:** Recommendation adopted by Committee as **amended** per Resolution PCD128-15; Endorsed by County Council November 3, 2015 per Resolution CC149-15;

### Recommendation(s)

**THAT Report PDR-PCD-38-15 regarding the Draft 2016 budget be received;**

**AND THAT the 2016 budget for the Planning and Community Development Committee portfolio be forwarded as presented/amended to County Council for its consideration.**

### Background

The Planning and Community Development Committee has stewardship of the following budgets: Planning, Civic Addressing, Agriculture, Forestry, Trails, Economic Development, Tourism and Grey Roots. The budgets have been drafted in recognition of the County's Corporate Strategic Plan, 2012 to 2015.

In addition, the budget development has been guided by a number of approved policies such as the Transportation Services Review, Recreational Trails' Strategy, Grey Roots Marketing Plan, Interpretive Plan and Business Plan, Tourism Destination Development Action Plan and the Economic Development Action Plan. Key initiatives related to these policies and strategies, along with budget implications have been included for ease of reference.

The 2016 draft budget has total expenditures of \$5,754,215 and requires a net levy contribution of \$4,281,957, which is an increase of \$264,809, being a 6.59% increase and translates to a corporate .51 % increase on the levy.

## *Planning*

The Planning budget consists of three specific components: Planning (General) Operating, Civic Addressing and Planning Capital. The Planning Operating budget includes a requested levy contribution of \$671,247 which is an increase of \$18,171. The increase is primarily attributed to a potential 2% increase in salaries, as well as increased costs to some of the benefits.

The Planning Capital budget includes a requested levy contribution of \$29,300 for studies that were identified in the approved five year capital forecast and the Development Charges Background Study, which include \$4,600 for a future Natural Heritage Systems Study Update, \$2,500 for Annual Housing Study Data Update (remaining amount to be funded from development charges), \$10,000 for a future Archaeological Master Plan, \$3,200 for a future Growth Management Study Update, \$4,000 for a future replacement purchase of a Multi-Function Plotter, \$4,000 towards the Development Charges Background Study Update, and \$1,000 towards a future Transportation Master Plan Update. See the following link to the five year capital report for further information about these various projects - [CCR-PCD-18-15 Five Year Capital Forecast Planning and Community Development Committee 2016 - 2020](#).

The Planning Capital budget includes a carry-over of funds for the completion of the Planning Application Tracking System (PATS) and the Source Water Protection Implementation/Collaboration Projects. The PATS is to be created by the IT Department, however IT is having difficulties backfilling an IT position in order to devote staff time to complete this project. Based on the Source Protection Collaboration Project being tied to Provincial funding requirements, IT staff time has been initially allocated to this project and therefore work on the PATS has been delayed until 2016. The County has been granted a funding extension for the Source Water Protection Implementation Funds based on the fact that the Province has not yet approved the Sourcewater Protection Plan that covers the majority of Grey County. The funding has been extended to December 2016. Progress has been made on the sourcewater protection project, however parts of the project will carry-over into 2016.

The Capital budget also includes funds to update the Development Charges Background Study in 2016 as the Development Charges By-law is set to expire in January 2017.

## *Agriculture*

The Agriculture budget includes the management of the County's Forest Management By-law (which is performed under contract with the Grey Sauble Conservation Authority), beaver and coyote control, and funding to organizations that support the agricultural industry, including the Grey County Agricultural Services and the Grey County 4-H. The draft 2016 budget proposes a levy commitment of \$136,753 which is a decrease of \$6,527. The decrease is primarily attributed to lowering the projected Beaver and Coyote Grant costs based on the three year average expenditures being lower than previously budgeted amounts.

## *Forestry*

The Forestry budget includes the management of the County's 45 forest properties, which includes harvesting through good forestry practices as well as trail development and maintenance of trails within the County forests. The County Forests are managed by the Grey Sauble Conservation Authority under contract with the County. The draft 2016 General Forestry budget proposes total expenditures of \$154,177 which is offset by the projected forestry revenue (\$260,000) from tree harvesting, and a transfer from reserves of \$55,000. The previous three year average for Forestry Revenue has been approximately \$271,000 but the revenue received in 2015 was exceptionally high which has skewed the three year average. Forestry revenue can fluctuate based on market conditions, however staff are comfortable with projecting revenue of \$260,000 and should the revenue targets not be met, there is sufficient funds in the Forestry Reserves to offset any potential shortfall.

A total of \$55,000 is proposed to be transferred from the Forestry Reserve to fund the potential spraying of tent caterpillar in some of the forest tracts (\$20,000), as well as funds to update the Forest Management Plan (\$35,000 with \$15,000 being carried over from 2015). Based on the total proposed expenditures and revenue for the 2016 Forestry Operating budget it is estimated that there will be an overall surplus of \$160,823.

The Forestry Trails Operating budget includes funds to maintain and develop trails in the County Forests. The draft 2016 budget proposes a levy commitment of \$56,049 which is an increase of \$2,103. Due to unexpected staff shortages at the Grey Sauble Sauble Conservation Authority, the proposed Forestry Trail project in 2015 will not be completed prior to the end of this year. It is recommended that the funds for the 2015 Forestry Trail project be carried over into 2016. In addition to the completion of the Kolapore project, County staff are recommending that funds be utilized from reserve to complete the St. Vincent Tract Accessible trail project. The County submitted a funding application for this project as part of the Canada 150 grant program. Unfortunately, the

County did not receive grant funding for this project, however staff see merit in proceeding with the project in order to make the trail accessible for more residents to enjoy. The following is a link to a report which describes the project in further detail – [PDR-PCD-28-15 - Canada 150 Community Infrastructure Program](#). The proposal is to fund this project from the Forestry Reserve so that the levy is not impacted.

Based on the General Forestry Operating budget and the Forestry Trails budget, the total net levy impact is a surplus of \$104,774 which is an decrease of approximately \$830 surplus compared to the 2015 budget.

### *Trails*

The Trails budget covers the management of the CP Rail Trail. The Rail Trail Bridge and Culvert Inspection Report conducted in 2011 identified a number of structures in need of repair. This Inspection Report is approximately five years old and therefore staff are recommending that this report be updated in 2016. The 2016 CP Trail Capital budget also includes funds for the rehabilitation of Culvert 16 (see the following link for further information about Culvert 16 - [Attachment to CCR-PCD-18-15 Trails 2016-2020 Five Year Capital Forecast](#)). The total net levy requirement for the CP Rail Trail Operating and Capital Budget is \$66,343 which is an increase of \$2,983.

### *Intelligent Community / Local Broadband*

This budget includes the Southwest Integrated Fibre Technology (SWIFT) Project, the Connected County and the GREAT Network. \$216,000 funded from the levy is the payment allocated to the regional SWIFT fibre project led by the Western Ontario Warden's Caucus. \$200,000 is the estimated draw on the \$1M reserve allocated to the GREAT Network project that is improving broadband in alignment with SWIFT. There is no increase to the levy for 2016 for these two projects.

The balance of \$104,654 is budgeted to fund the Connected County project. The Connected County project is an increase to the levy as the one time funding reserve has funded this budget in prior years. The most significant portion of the increase is a permanent staff member to run the Connected County initiative as outlined in [ITR-PCD-12-15 Connected County Work Plan and Staffing Report](#).

### *Economic Development*

Economic Development is still a rather new initiative of the County. The 2016 budget builds upon the success of 2015 and begins the job of implementing the Economic Development Action Strategy. Specific items which have been identified for 2016 are as follows:

- \$40,000 for Local Food Strategy; hopefully to be offset by Rural Economic Development Fund (RED) grant
- \$8,000 for education/networking events
  
- \$6,000 for municipal profile templates

As in the past, funding is included to provide grants to the Bluewater Wood Alliance and Grey Bruce Agriculture and Culinary Association.

Although the Board of the Southwest Economic Alliance (SWEA) has recommended disbanding the organization, the annual funding for SWEA is included in the 2016 budget. The Western Ontario Warden's Caucus (WOWC) has been following the SWEA organization and has had some initial discussions concerning the role of the WOWC in regional economic development. Research is currently underway to determine whether there would be any benefit of pooling the funds the members of the WOWC contribute to SWEA for regional economic development purposes and/or the SWIFT project under WOWC's umbrella.

The most significant change to the budget in 2016 is the addition of new staff position as outlined in Report [CAOR-PCD-05-15 Staffing Considerations for Economic Development and Tourism](#) that was presented to the September Committee meeting. The work that is currently underway within economic development and tourism is not sustainable without additional staff resources. This report recommends 25% of a new position be allocated to Economic Development.

The budget for economic development as currently drafted requires a net levy of \$420,520 which is an increase of \$46,015.

### *Tourism*

Tourism's budget for 2016 has been streamlined significantly from the past. Grey County is no longer the "banker" for the Georgian Bay project and the Regional Tourism Marketing Partnership (RTMP) with Bruce County has come to an end. In place of these budget sheets a new section entitled Regional Partnerships has been created. It is anticipated that the funding of \$28,000 in this section of the budget will be leveraged through partnerships with Bruce and Simcoe counties, RTO7 and others.

The Tourism Destination Development Action Plan (DDAP) which begins this fall will be finalized in 2016. While this will account for significant staff time in early 2016, funding has been approved through RT07 for this project, which means it will administer the project and funding, with no impact to Grey County's 2016 budget. Part of the DDAP will also provide some direction in Grey County's tourism resources. The request for

additional staff resources noted above, which includes 75% of a full time position to undertake tourism project work, will wait for direction and alignment from the DDAP recommendations.

As the Internet continues to be more central to vacation planning, it is essential that the County's presence, both through its website and social media, is current and relevant. To this end, \$8,000 has been reallocated from funds traditionally targeted to the RTMP, as well as \$5,000 from the radio budget and \$2,000 from Promotion and Public Relations budget for contract work in development of social media.

The draft Tourism budget requires a net levy contribution of \$575,993 which is an increase of \$62,908.

### *Grey Roots*

The draft combined operating and capital budget for Grey Roots requires a levy commitment of \$2,115,921, which is an increase of \$42,465.

The Grey Roots' budget has also undergone an overhaul over the last year. Refinements have been made to provide clearer cost centres with proper allocations to ensure the County meets the requirements of the Ministry of Tourism, Culture and Sport to receive the Community Museums' of Ontario Operating Grant (CMOG).

Of significance within the operating budget is an increase to the exhibit line. This is necessary as the majority of exhibits available for the major summer travelling exhibit come from the United States and the budget takes into consideration the lower Canadian dollar. In recognition of this increase, a reduction has been made to the in house exhibit line and revenues have been increased.

The budget also proposes opening Grey Roots for Monday's from March Break to the May 24<sup>th</sup> long weekend. This requires an increase of 126 hours for Visitor Services' staff. This change is based on an assessment of visitors who have attempted to visit the museum and archives during this period of time.

It is recognized that regular exhibit changes and the development of Moreston to be a more complete heritage village cannot simply be borne by the tax levy. Indeed, past experience has demonstrated that community support for construction of a heritage building leads to more volunteerism at Grey Roots. The 2016 budget includes some new funding for sponsorships and the development contemplated in the Five Year Capital Forecast is predicated on community support. Going forward, increasing sponsorships and community support will be priorities.

The capital budget has been developed based on the Five Year Forecast previously presented to the Committee ([CCR-PCD-18-15 Five Year Capital Forecast Planning and](#)

[Community Development Committee 2016 - 2020](#)). Additionally, the consulting to review the Grey County Gallery has been held over from the 2015 budget and included in 2016. An opportunity for a community partnership with Fanshawe College has prompted this delay.

Two classes of students will be visiting Grey Roots this fall. The landscape and design students will be reviewing the landscaping of Grey Roots, and in particular, will be making recommendations on methods of using landscaping to screen the agricultural exhibit building. Funding of \$10,000 has been included in the operating budget to implement the students' recommendations. With respect to the Grey County Gallery itself, the Architectural Technology students will be studying the gallery and making recommendations for improvements. The recommendations of these students will then be utilized when a consultant is contracted in 2016.

Other capital projects included in the budget are:

- Update of Business Plan
- Pre-engineering for future heritage buildings in Moreston
- Transfers to reserve in accordance with building condition assessments
- Transfer to reserve for future development in Moreston
- Snowblower

## Financial / Staffing / Legal / Information Technology Considerations

There are no legal considerations related to this report.

Overall, a levy increase of \$264,809 is requested, which is a 6.59% increase compared to the 2015 budget, which is a corporate levy impact of .51%.

## Link to Strategic Goals / Priorities

The annual budget is a key tool used to ensure the County's long term financial sustainability and for the provision of ongoing accountability. At the same time, budgets are utilized to realize the approved strategic goals and objectives of the corporation.

## Attachments

[Attachment to PDR-PCD-38-15 Draft Budget for the Planning and Community Development Committee Portfolio](#)

Respectfully submitted by,

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